GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:5639
ANSWERED ON:30.04.2003
REVIVAL OF CLOSED SSI UNITS
CHINMAYANAND

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) the number of small scale industries lying closed in the country, particularly in Maharashtra, Uttar Pradesh and Gujarat;

(b) the number of workers rendered jobless as a result thereof, State-wise;

(c) whether the Government have mooted any scheme for the revival of these small scale industries; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE FOR SMALL SCALE INDUSTRIES AND DEVELOPMENT OF NORTH-EASTERN REGION (SHRI PAWAN SINGH GHATOWAR)

(a) & (b): The information on closed units is not maintained centrally. However, as per the sample survey of registered Small Scale Industries (SSI) units conducted during 2000-01 in respect of units registered upto 31.03.1998 it was estimated that 29% of the SSI units were closed in the country. Besides, the Reserve Bank of India (RBI) compiles data on sick SSI units financed by the scheduled commercial banks. As per the latest information available with the RBI, there were 1,77,336 sick SSI units as at the end of March, 2002 in the country including 7270, 17843 and 6679 units in the States of Maharashtra, Uttar Pradesh and Gujarat, respectively. State-wise data on the number of workers rendered jobless as a result of closure/sickness is not maintained centrally.

(c) & (d): Government is fully seized of the incidence of industrial sickness among SSI units and has taken various measures to facilitate timely identification and rehabilitation of potentially viable sick units. Some specific measures for tackling sickness are as under :-

1. RBI has issued detailed revised guidelines to banks on 16th January, 2002 for detection of sickness at an early stage and taking remedial measures for rehabilitation of sick SSI units identified as potentially viable. The revised guidelines include criteria for identifying sick units as per revised definition.

2. Setting up of Institutional mechanisms in the form of State-level Inter-Institutional Committees (SLIICs) for timely identification and rehabilitation of potentially viable units.

3. Special rehabilitation cells in banks and State financial institutions.

4. Elaborate guidelines issued by the Reserve Bank of India for extending rehabilitation assistance to eligible units.

5. A One-time Settlement formula (Samadhan Scheme) upto loan of Rs. 5 crore was announced by RBI on July 27, 2000 for one time settlement of dues.

6. RBI has announced another One-time Settlement scheme upto Rs. 10 crore on 29th January, 2003.